

FY 2003 Site Overview
FMSIC All Contractors Meeting

March 20, 2003



Improvements / Best Practices

- Planning by Labor Function
- Recording Uncompensated Time
- ACH Travel Reimbursements
- Financial Management Reports
- Electronic Time Sheet
- Cost Performance Index
- Non-Productive Labor
- Consolidation of Financial Analysts
- Travel Services Re-bid



Planning By Labor Function

In-process 2003

Planning for labor resources based on employee skills or work function.

- Currently based on pay grade.
- Improve identification of resource demands on specific skills.
- Eliminate cost to budget variances resulting from employee pay grade.



Recording Uncompensated Time

Planned 2004

Charging all hours worked to the specific work task or project being accomplished.

- Currently working these hours at no-cost to the project.
- All hours worked will be billed to the effort.
- Programmatic costs more accurately reflected.



ACH Travel Reimbursements

Completed 2002

ACH process for travel reimbursements.

- Previously paid bi-weekly through payroll.
- Reduced cycle-time to two (2) days from receipt of voucher.
- More efficient communication / Less follow-up
- Increased customer service.



Financial Management Reporting

Completed 2003

Weekly Cost Reports – transaction activity detail for labor, materials, contracts, travel and other direct cost elements.

Overtime Reports – actual to budget comparison of OT cost and hours.

- Issued to program and line management.
- Improved visibility of cost items.
- Improved communication with management.



Electronic Time Sheet

In-Process 2003

Individual Time Entry Process

- Previously manual / centralized data entry.
- Utilize PeopleSoft Time & Labor (8.3).
- Increased efficiency / accountability.
- Reduced CTS risk.



Cost Performance Index

- Business Health Indicator (Metric)
- Quad Chart: CPI, Reason for Cost Variance, Issues, Actions
- Reason Codes applied by Program Management



Non-Productive Labor

Identification of labor hours in idle or non-productive status.

- Utilize normal time reporting process.
- ID hours and cost associated with “down-time”.
- Pareto analysis.



Consolidation of Financial Analysis Support

- Centralization of financial analysts.
- Designated Analyst for each division.
- Reduced 6 site analysts.



Travel Services Re-bid

- National Travel Firm
- Improved technology (Web-based)
- Comprehensive support - 24/7
- Improved reporting



Emerging Issues

- Indirect Cost Definition
- PPBE Implementation



Indirect Cost Definition

- Standardization among sites
 - Production Support
 - RTBF / Site Support
- Fenced funding limitations (FS)
- Full cost recovery (DP vs Other)



PPBE Process Implementation

- Integration Schedules for Major Initiatives
- Development of Program Plans
- Communication emphasis between Program Counterparts
- Budgeting after Program Decisions

